

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7011**

**BILL NUMBER: SB 281**

**NOTE PREPARED: Jan 3, 2006**

**BILL AMENDED:**

**SUBJECT:** Vacating Covenants and Commitments.

**FIRST AUTHOR:** Sen. Young R

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED: ☒ GENERAL  
☐ DEDICATED  
☐ FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** The bill allows a private owner to amend or vacate recorded covenants by complying with the procedure contained in the covenant or by petitioning a court. (Under current law an owner may request vacation of a commitment in a petition to vacate all or part of a plat.) The bill allows a government owner of land to vacate a commitment or a recorded covenant by including the request to vacate in a petition to vacate all or part of a plat if the vacation is for a direct government purpose.

**Effective Date:** July 1, 2006.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** *Court Fee Revenue:* If additional civil filings occur and court fees are collected, revenue to the state General Fund may increase. A civil filing fee of \$100 would be assessed when a civil case is filed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** *Summary:* Under the bill, private land owners would have the option to petition trial courts when a covenant does not include procedures to amend or vacate a land plat.

*Court Fee Revenue:* If additional civil filings occur, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$100 filing fee that is assessed in a court

of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund.

**State Agencies Affected:**

**Local Agencies Affected:** Circuit and superior courts.

**Information Sources:**

**Fiscal Analyst:** Chris Baker, 317-232-9851.